

**MINUTES OF THE REGULAR MEETING OF THE
WASHINGTON STATE TRANSPORTATION COMMISSION
June 13 & 14, 2006**

The regular meeting of the Washington State Transportation Commission was called to order at 9 A.M., on June 13, 2006, in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present at the meeting were: Chair O'Neal, Ed Barnes, Bob Distler, Dick Ford, Elmira Forner, Carol Moser and Dale Stedman.

MINUTES APPROVAL

It was moved by the Commission to approve the minutes of the April 18 & 19, 2006 meeting. The motion passed unanimously.

TOLLING STUDY POLICY DEVELOPMENT

Jeff Buxbaum, Project Manager, Cambridge Systematics, Inc., explained that during the presentation the Commission would review the draft final recommended policy direction, a legal and regulatory analysis summary as well as outreach materials and plans. There are eight recommended policies and a potential ninth policy regarding whether or not the availability of toll revenue should influence the project priority setting process. Legal issues and potential implications were discussed. Commissioner's shared comments and concerns along with suggested changes. A summary of the draft policies can be found at <http://www.wstc.wa.gov/Tolling/default.htm>.

Commissioners stressed that the setting of transportation priorities in the state should not be influenced by the potential availability of toll revenues. Also discussed were the legal issues and complications of implementing tolls on federally funded facilities.

In conclusion, Mr. Buxbaum noted that Washington's system is not comprehensive. In order for it to be more manageable on a statewide basis there needs to be significant changes made to the law.

RAIL STUDY STATEWIDE LISTENING SESSIONS – SUMMARY REPORT

Bonnie Berk & Meghann Glavin, Berk & Associates, provided an overview of recent stakeholder outreach, communication tasks and a summary of findings and next steps. A stakeholder list was compiled of over 2000 contacts statewide, that included contacts from WSDOT, WPPA, AWC, legislators, local chambers, cities, RTPOs, labor associations and the ports. This list was used for survey purposes as well as public open house listening sessions. A summary of the regional listening sessions can be found at <http://www.wstc.wa.gov/Rail/ListeningSessions.htm>.

TACOMA NARROWS BRIDGE TOLL SETTING UPDATE

David Pope, Toll Systems Manager, WSDOT, provided an update on the status of the Citizens Advisory Committee appointments, an update of the toll setting schedule and an overview of how the TNB tolling system “Good to Go” will work and the potential implications of providing toll discounts. Further information on “Good to Go” can be found at <http://www.wsdot.wa.gov/GoodToGo/>.

WASHINGTON STATE FERRIES PRESENTATION ON BUDGETARY IMPACTS OF FUEL PRICES

Mike Anderson, Assistant Secretary, Executive Director, WSF, opened the presentation with an overview of how current fuel prices are affecting ferry operations. WSF continues to struggle with escalating fuel prices and is considering changing operational procedures and long term technology changes in order to reduce consumption. A possible implementation of a fuel surcharge in order to meet budgetary demands is also under consideration.

Commissioner Distler proposed a budgetary regime that assumes a higher forecast.

Ray Deardorf, Planning Director, WSF, explained legislative appropriations, current fuel prices and forecasts for the forthcoming fiscal year. He noted that WSF performed an analysis for the TPC that reflected potential revenue that could be collected from surcharges in the next fiscal year. Opening the specific WACs that deal with tariffs by June 21, 2006 a tariff would be implemented by the end of October 2006.

Commissioner Ford emphasized that the capital budget of the ferry system must be protected and he fears that the added operating costs will be at the expense of the capital budget.

Bill Greene, Program Development Director, WSF, explained that there is no control over the cost of fuel, whereas, consumption can be controlled. With the discovery that there was not a way to precisely measure the amount of fuel consumed until recently when meters were installed.

Commissioner Distler moved that WSF file a CR 101 with the Code Reviser’s Office requesting that the Tariff Policy Committee convene, without making any specific proposals other than a review of the situation as opposed to solutions of the situation that have been suggested. This would allow for the Commission to determine if there is a need to move forward. It’s important that the Tariff Policy Committee open up this conversation as the group that advises this Commission on how to proceed with these matters. Also included in this conversation should be leadership of both Committees and ranking members or their designees.

Commissioner Forner seconded the motion.

Commissioner Distler further explained the intent of his motion language after the formal motion of opening the CR 101. He explained that by limiting the conversation at the initial TPC meeting to dealing with this issue as opposed to dealing with specifics the process itself would not lengthen by another month, and the Commission would deal with a proposal in July.

The intent is that the CR 101 be opened in order to have that conversation in a public forum that includes legislative members in order to parallel the conversation that we have had this morning on this issue

The motion passed with Commissioner Ford voting no.

IMPACT OF GLOBAL WARMING ON TRANSPORTATION AND THE STATE'S ECONOMY

Roel Hammerschlag, Research Assistant, University of Washington, shared information regarding global climate changes specifically addressing its impact on the Pacific Northwest.

APPROACHES TO PERFORMANCE REPORTING

Kathy Scanlan, Cedar River Group, presented the 2005 Annual Performance Report on the Washington State Department of Transportation. This annual report presents measures to evaluate the progress of WSDOT in meeting key transportation goals derived from the statewide Priorities of Government. One of the best practices identified in the study is the importance of providing an easily readable report by the public. TPAB's recommendation was to align performance goals with the Washington Transportation Plan and find a way to significantly communicate the results of the performance measures with the public.

PUBLIC AND LEGISLATOR COMMENT PERIOD

There were no public or legislators present for comment.

COMMISSION BUSINESS

It was moved by Commissioner Stedman and seconded by Commissioner Forner that the nominating committee's selection of Commissioner Ford's appointment as Commission Chair effective July 1, 2006 move forward. The motion passed unanimously.

Commissioner Stedman noted that the nominating committee has determined that the appointment of Vice Chair would be delayed.

It was moved by Commissioner Forner and seconded by Commissioner Moser to appoint Commissioner Distler to serve on the Joint Transportation Committee Ferry System Finance Study Advisory Committee. The motion passed unanimously.

COMMISSIONER REPORTS

Chair O'Neal shared a progress update of the Commission's Rail Study. The team has an understanding of how the system looks, what the complaints are and next steps to be taken.

Commissioner Ford provided an update regarding the Commission's Tolling Study. He shared that a series of recommendations are in draft form and being worked for a final presentation to the Legislature.

Reema Griffith, Executive Director, distributed the draft budget decision package for the 2007-09 biennium for Commission review.

Commissioner Stedman reported that the WTP team is working on a draft final product for

adoption at the Commission's July meeting.

Commissioner Forner reported that the TPAB received a preliminary report of the Hood Canal Bridge Graving Dock for review with an adoption of the final report scheduled for June 30, 2006. This report will be presented to the Commission at its July 2006 meeting.

Commissioner Distler pointed out that there is legislative ferry tour scheduled that he will be attending. The purpose of the tour is to specifically look at the terminals. He expressed his concerns regarding ferry fare increases and the fact that it may defer the capital program. He stressed that today's action is not to open a tariff cycle for consideration, but to have the Tariff Policy Committee (TPC) and legislative members consider how the Department, Commission and the TPC should respond to the issue.

The Commission meeting adjourned at 3:30 p.m., on June 14, 2006.

WASHINGTON STATE TRANSPORTATION COMMISSION

DICK FORD, Chair

ELMIRA FORNER, Vice-Chair

EDWARD BARNES, Member

CAROL MOSER, Member

DAN O'NEAL, Member

ROBERT S. DISTLER, Member

DALE STEDMAN, Member

DOUGLAS MACDONALD, Ex-Officio Member
Secretary of Transportation

ATTEST:

REEMA GRIFFITH, Executive Director

DATE OF APPROVAL